

SUSSEX COUNTY'S SEWER AND WATER RATE STRUCTURE

1. Every Sussex County sanitary sewer and water district is self-supporting.

2. User Charges

A. Annual Service Charge

The service charges for each sanitary sewer or water district are established annually, based on the fiscal year budget as adopted by the Sussex County Council. Service charges recover the costs of operating and maintaining the collection system, transmission system, and treatment facilities. These include costs such as electric power, personnel, fuel, supplies, etc. Service charges may also include the debt service for the treatment facilities. They are billed quarterly.

The amount of service charges billed to each user is based on the number of Equivalent Dwelling Units (EDUs) on the property. Each property is assessed for the number of EDUs based on Section 110-96 of the *Sussex County Code*. Vacant lots do not pay a service charge. There are no exemptions for service charges.

B. Annual Assessment Charge

The assessment charge recovers the cost of constructing the sewer or water system based on the annual bond payments. It is broken-down into two parts: (1) collection or distribution, and (2) transmission and treatment. The collection or distribution portion recovers the cost of building the smaller pipelines. The transmission portion recovers the cost of building the transmission system (i.e., pumping stations, forcemains, and large diameter pipelines). In the Long Neck Sanitary Sewer District and the West Rehoboth Expansion of the Dewey Beach Sanitary Sewer District, it is billed quarterly with the service charge. In the County's other districts, it is billed annually on the Sussex County tax bill.

The amount of assessment charges billed to each user is based on the number of assessable Front Feet associated with the property, as determined by Section 110-92 of the *Sussex County Code*. Normally, this is based on the street frontage of the property, although adjustments are made for corner lots, lots on more than one street or lots with multiple EDUs. All lots must pay front foot assessment charges unless they qualify for a property tax exemption (i.e., non-profit organization, farmland, etc.).

C. System Connection Charge

The System Connection Charge pays the district for past expenditures for debt service, and is a contribution toward the future expansion or replacement of transmission and treatment facilities. It is applicable to new users and is a one-time charge. It must be paid before hookup for existing structures or before building permits are issued for new structures.